

**STATE OF MISSOURI
OPERATING COSTS AND FLOW THROUGH PAYMENTS BY DEPARTMENT
ALL FUNDS
APPROPRIATION YEAR 2003**

Each year State departments receive appropriations. These appropriations include expenditures to operate the department, expenditures made for the benefit of other departments and distributions to other entities such as local governments or school districts. The "operating costs" are the expenditures made from the department's appropriations which are used to provide that department's services. The "flow through payments" include expenditures used to fund other entities' or other departments' expenses and distributions to individuals, other entities or other departments for ultimate expenditure.

An analysis of an agency's operating costs gives a better indication of its effectiveness because operating costs are directly controlled by the agency's management. Flow through payments are normally the result of statutory or grant requirements. The spending of these moneys is more directly controlled by the entity or department which receives the flow through moneys.

The schedule on the following page shows that the moneys appropriated to an agency are not totally used for operation of that agency. This schedule shows appropriated expenditures for appropriation year 2003. However, these figures do not include appropriated expenditures of \$1,304,340,190 for refunds for overpayment of taxes and fees or investment of State money.

Expenditures for retirement, social security, health care, deferred compensation, reimbursements to Employment Security, statewide insurance, capital improvements, and building and grounds in the amount of \$2,151,898,979 have been allocated to the various departments. Most of the funding was appropriated to the Office of Administration.

The expenditures for debt service are segregated as they represent operating expenditures of the State as a whole. These expenditures are normally administered by the Office of Administration.

The expenditures for the court ordered desegregation payments (Note 4) are segregated because they are mandated by court order. These expenditures are normally administered by the Department of Elementary and Secondary Education.

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	Operating Costs	Flow Through Payments
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Legislature	\$ 38,918,889	\$ ---
Judiciary	246,739,183	123,311
Executive	76,890,801	10,691,713
Office of Administration	94,440,561	45,581,863
Agriculture	31,373,871	854,043
Insurance	15,509,365	312,958
Conservation	140,629,134	---
Economic Development	113,273,977	113,052,578
Elementary and Secondary Education	130,945,538	4,212,228,508
Higher Education	775,527,184	173,617,037
Health and Senior Services	167,123,600	232,992,548
Transportation	1,723,088,151	60,777,820
Labor and Industrial Relations	69,785,360	62,406,368
Mental Health	489,532,123	285,149,886
Natural Resources	128,193,738	185,253,834
Public Safety	329,854,400	110,458,435
Revenue	277,428,783	181,711,500
Social Services	606,581,897	5,194,499,285
Corrections	666,459,405	---
Debt Service	199,583,588	---
Court Ordered Desegregation Payments (Note 4)	---	20,000,000
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Totals	<u>\$ 6,321,879,548</u>	<u>\$ 10,889,711,687</u>

The notes are an integral part of this report.